



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-028]

Hydrofluorocarbon Blends from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Rescission of Antidumping Duty Administrative Review, in Part; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is conducting an administrative review of the antidumping duty order on hydrofluorocarbon (HFC) blends from the People's Republic of China (China). The period of review is August 1, 2019, through July 31, 2020. We are rescinding the review with respect to all companies for which we received a request for administrative review, except for PureMann, Inc (PureMann). Commerce preliminarily finds that the sole remaining company subject to this administrative review, PureMann, is part of the China-wide entity because it did not file a separate rate application (SRA). We invite interested parties to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Benjamin A. Luberd, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC, 20230; telephone: (202) 482-2185.

SUPPLEMENTARY INFORMATION:

Background

On August 19, 2016, Commerce published in the *Federal Register* an antidumping duty order on HFC Blends from China.¹ On August 4, 2020, Commerce published a notice of opportunity to request an administrative review of the antidumping duty order on HFC blends

¹ See *Hydrofluorocarbon Blends from the People's Republic of China: Antidumping Duty Order*, 81 FR 55436 (August 19, 2016) (*Order*).

from China.² In response, the American HFC coalition and its individual members (the petitioners)³ requested a review of 15 companies.⁴ In addition, SRF Limited (SRF), an Indian producer/exporter of subject merchandise, requested an administrative review of itself.⁵ Commerce initiated a review of 15 companies on October 6, 2020.⁶ On October 22, 2020, Commerce placed U.S. Customs and Border Protection (CBP) data on the record of this review.⁷ We received comments on the CBP data from the petitioners and Daikin America, Inc. (Daikin America).⁸ The deadline for companies to submit an SRA or separate rate certification (SRC) was November 5, 2020.⁹ No party to this proceeding submitted an SRA or an SRC. The deadline for the preliminary results of this review is May 3, 2021.

Scope of the Order

The products subject to the *Order* are HFC blends. HFC blends covered by the scope are R-404A, a zeotropic mixture consisting of 52 percent 1,1,1-Trifluoroethane, 44 percent Pentafluoroethane, and 4 percent 1,1,1,2-Tetrafluoroethane; R-407A, a zeotropic mixture of 20 percent Difluoromethane, 40 percent Pentafluoroethane, and 40 percent 1,1,1,2-Tetrafluoroethane; R-407C, a zeotropic mixture of 23 percent Difluoromethane, 25 percent Pentafluoroethane, and 52 percent 1,1,1,2-Tetrafluoroethane; R-410A, a zeotropic mixture of 50

² See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 85 FR 47167 (August 4, 2020).

³ The American HFC Coalition is the following companies: Arkema, Inc.; the Chemours Company FC LLC; Honeywell International Inc.; and Mexichem Fluor Inc.

⁴ See Petitioners' Letter, "Hydrofluorocarbon Blends from the People's Republic of China: Request for Administrative Review of Antidumping Order," dated August 31, 2020.

⁵ See SRF's Letter, "Request for Administrative Review: Hydrofluorocarbon Blends from the People's Republic of China A-570-028," dated August 31, 2020.

⁶ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 63081 (October 6, 2020) (*Initiation Notice*). We note that Commerce did not initiate an administrative review for one company for which the petitioners requested a review, BMP USA, Inc., because it is a known U.S. importer/blender. See, e.g., *Hydrofluorocarbon Blends from the People's Republic of China: Scope Ruling on Unpatented R-421A; Affirmative Preliminary Determination of Circumvention of the Antidumping Duty Order for Unpatented R-421A; and Extension of Time Limit for Final Determination*, 85 FR 12511 (March 3, 2020). Commerce's practice is to only conduct administrative reviews of producers/exporters of subject merchandise, not U.S. importers.

⁷ See Memorandum, "Release of Customs Entry Data from U.S. Customs and Border Protection," dated October 22, 2020.

⁸ See Petitioners' Letter, "Hydrofluorocarbon Blends from the People's Republic of China: Comments on CBP Entry Data Release," dated November 5, 2020; and Daikin America's Letter, "Hydrofluorocarbon Blends from the People's Republic of China: Comments on CBP Data," dated November 5, 2020.

⁹ SRAs and SRCs were due thirty days from the publication date of the *Initiation Notice*. In this administrative review the deadline was November 5, 2020. See *Initiation Notice*, 85 FR at 63082-83.

percent Difluoromethane and 50 percent Pentafluoroethane; and R-507A, an azeotropic mixture of 50 percent Pentafluoroethane and 50 percent 1,1,1-Trifluoroethane also known as R-507. The foregoing percentages are nominal percentages by weight. Actual percentages of single component refrigerants by weight may vary by plus or minus two percent points from the nominal percentage identified above.¹⁰

Any blend that includes an HFC component other than R-32, R-125, R-143a, or R-134a is excluded from the scope of the *Order*.

Excluded from the *Order* are blends of refrigerant chemicals that include products other than HFCs, such as blends including chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), hydrocarbons (HCs), or hydrofluoroolefins (HFOs).

Also excluded from the *Order* are patented HFC blends, including, but not limited to, ISCEON® blends, including MO99TM (R-438A), MO79 (R-422A), MO59 (R-417A), MO49PlusTM (R-437A) and MO29TM (R-422D), Genetron® PerformaxTM LT (R-407F), Choice® R-421A, and Choice® R-421B.

HFC blends covered by the scope of the *Order* are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 3824.78.0020 and 3824.78.0050. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.¹¹

¹⁰ R-404A is sold under various trade names, including Forane® 404A, Genetron® 404A, Solkane® 404A, Klea® 404A, and Suva®404A. R-407A is sold under various trade names, including Forane® 407A, Solkane® 407A, Klea®407A, and Suva®407A. R-407C is sold under various trade names, including Forane® 407C, Genetron® 407C, Solkane® 407C, Klea® 407C and Suva® 407C. R-410A is sold under various trade names, including EcoFluor R410, Forane® 410A, Genetron® R410A and AZ-20, Solkane® 410A, Klea® 410A, Suva® 410A, and Puron®. R-507A is sold under various trade names, including Forane® 507, Solkane® 507, Klea®507, Genetron®AZ-50, and Suva®507. R-32 is sold under various trade names, including Solkane®32, Forane®32, and Klea®32. R-125 is sold under various trade names, including Solkane®125, Klea®125, Genetron®125, and Forane®125. R-143a is sold under various trade names, including Solkane®143a, Genetron®143a, and Forane®125.

¹¹ See the *Order*. Certain merchandise has been the subject of affirmative anti-circumvention determinations by Commerce, pursuant to section 781 of the Tariff Act of 1930, as amended (the Act). As a result, the circumventing merchandise is included in the scope of the *Order*. See *Hydrofluorocarbon Blends from the People's Republic of China: Final Negative Scope Ruling on Gujarat Fluorochemicals Ltd.'s R-410A Blend; Affirmative Final Determination of Circumvention of the Antidumping Duty Order by Indian Blends Containing Chinese Components*, 85 FR 61930 (October 1, 2020); *Hydrofluorocarbon Blends from the People's Republic of China: Final Scope*

Partial Rescission of Review

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, “in whole or in part, if a party that requested a review withdraws the request within 90 days of the publication of the notice of initiation of the requested review.” On November 5, 2020, SRF timely withdrew its request for review of itself.¹² On January 4, 2021, the petitioners withdrew their request for administrative review for the following companies: Arkema Daikin Advanced Fluorochemicals (Changsu) Co., Ltd.; Daikin Fluorochemicals (China) Co., Ltd.; Dongyang Weihua Refrigerants Co., Ltd.; Jinhua Yonghe Fluorochemical Co., Ltd.; Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.; Shandong Huaan New Material Co., Ltd.; T.T. International Co., Ltd.; Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.; Zhejiang Lantian Environmental Protection Fluoro Material Co. Ltd.; Zhejiang Quzhou Lianzhou Refrigerants Co., Ltd.; Zhejiang Sanmei Chemical Industry Co., Ltd.; Zhejiang Yonghe Refrigerant Co., Ltd.; and Zhejiang Zhonglan Refrigeration Technology Co., Ltd.¹³ Because all requests for reviews of these companies were timely withdrawn, in accordance with 19 CFR 351.213(d)(1), Commerce is rescinding this review of the *Order* on HFC blends from China with respect to these companies. The review will continue for the only remaining company for which an administrative review was requested and not withdrawn, PureMann.

Preliminary Results of Review

Commerce considers China to be a non-market economy (NME) country.¹⁴ In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an

Ruling on Unpatented R-421A; Affirmative Final Determination of Circumvention of the Antidumping Duty Order for Unpatented R-421A, 85 FR 34416 (June 4, 2020); and *Hydrofluorocarbon Blends from the People’s Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order; Unfinished R-32/R-125 Blends*, 85 FR 15428 (March 18, 2020).

¹² See SRF’s Letter, “Withdrawal of Request for the Administrative Review of the Antidumping Duty Order on Hydrofluorocarbon Blends from the People’s Republic of China (A-570-028) (POR: 8/1/19-7/31/20),” dated November 5, 2020.

¹³ See Petitioners’ Letter, “Hydrofluorocarbon Blends from the People’s Republic of China: Withdrawal of Review Request,” dated January 4, 2021.

¹⁴ See *Antidumping Duty Investigation of Certain Aluminum Foil from the People’s Republic of China: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 82 FR 50858, 50861 (November 2, 2017), and accompanying Preliminary Decision Memorandum at 8, unchanged in

NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China as an NME country for the purposes of these preliminary results.

PureMann, the sole company subject to this review, did not file an SRA. Thus, Commerce preliminarily determines that this company has not demonstrated its eligibility for separate rate status. As such, Commerce preliminarily determines that the company subject to this review is part of the China-wide entity. In addition, Commerce no longer considers the NME entity as an exporter conditionally subject to an antidumping duty administrative review.¹⁵ Accordingly, the NME entity will not be under review unless Commerce specifically receives a request for, or self-initiates, a review of the NME entity. In this administrative review, no party requested a review of the China-wide entity. Moreover, we have not self-initiated a review of the China-wide entity. Because no review of the China-wide entity is being conducted, the China-wide entity's entries are not subject to the review, and the rate applicable to the China-wide entity is not subject to change as a result of this review. The China-wide entity rate is 216.37 percent.¹⁶

Disclosure and Public Comment

Normally, Commerce discloses the calculations used in its analysis to parties in a review within five days of the date of publication of the notice of preliminary results, in accordance with 19 CFR 351.224(b). However, in this case, there are no calculations on the record to disclose.

Interested parties may submit case briefs no later than 30 days after the date of publication of this notice.¹⁷ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.¹⁸ Parties who submit case or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a

Certain Aluminum Foil from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 83 FR 9282 (March 5, 2018).

¹⁵ See *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963, 65970 (November 4, 2013).

¹⁶ See *Order*, 81 FR at 55438.

¹⁷ See 19 CFR 351.309(c).

¹⁸ See 19 CFR 351.309(d).

statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁹ Case and rebuttal briefs should be filed using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).²⁰ ACCESS is available to registered users at <https://access.trade.gov>.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically via ACCESS within 30 days after the date of publication of this notice.²¹ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined.²² Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

An electronically-filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline.²³

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of the administrative review, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.²⁴ If Commerce continues to find in the final results that PureMann is part of the China-

¹⁹ See 19 CFR 351.309(c)(2)

²⁰ See 19 CFR 351.303.

²¹ See 19 CFR 351.310(c)

²² See 19 CFR 351.310(d).

²³ See 19 CFR 351.303(b)(1).

²⁴ See 19 CFR 351.212(b)(1).

wide entity, we intend to instruct CBP to liquidate entries containing subject merchandise exported by PureMann at the China-wide entity rate of 216.37 percent. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

For the companies for which we have rescinded this administrative review, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.202(c)(1)(i). Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of this notice.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) For companies that have a separate rate, the cash deposit rate will be that established in the final results of this review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed Chinese or non-Chinese exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the China-wide entity (*i.e.*, 216.37 percent); and (4) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-

Chinese exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: May 3, 2021.

Christian Marsh,
Acting Assistant Secretary,
Enforcement and Compliance.

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